

# **REQUEST FOR QUOTATION** (FAX ON DEMAND) HQ741120

Quotations are due by 3:00 P.M., Local Time **December 7, 2006** 

ARIZONA DEPARTMENT OF HEALTH SERVICES 1740 W. Adams Phoenix, AZ 85007 Phone: (602) 542-1040 Fax: (602) 542-1741

Date: December 4, 2006

### **VENDOR NOTICE**

### THIS IS NOT A PURCHASE ORDER

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			s and <u>Uniform Instruct</u> http://www.azeps.az							ent by reference, and or the Instructions,	
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Submittal Location: Delivery / Pick Up Location:					Procurement Specialist: Rebecca O'Brien						
	Adams, Ro		2500 East Van							Fax: (602) 542-1741	
Phoenix, AZ 85007			Phoenix, A.	Phoenix, AZ 85008			Email: obrienr@azdhs.gov				
Item			Description			Hourly Rate					
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	(Hourly rate should include approved travel expenses outlined in the State of Arizona Travel Policies and										
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# SPECIAL TERMS AND CONDITIONS REQUEST FOR QUOTATION # HQ741120

#### 1. PURPOSE

Pursuant to provisions of the Arizona Procurement Code, A.R.S. '41-2501 Et Seq., the State of Arizona, Department of Health Services ("ADHS") intends to establish a contract for the services listed herein.

## 2. TERM OF CONTRACT (1 YEAR)

The term of the contract shall commence upon award and shall remain in effect for a period of one year, unless terminated, canceled or extended as otherwise provided herein.

### 3. CONTRACT EXTENSION, 48 MONTHS

The Department may, by mutual written Contract amendment, extend any resultant Contract in up to twelve (12) month increments for a maximum of four (4) years. The Contract term shall not exceed a total of five (5) years from the date of Contract award, or \$50,000, whichever comes first.

#### 4. CONTRACT TYPE

X Fixed Price

#### 5. PRICE INCREASE/PRICE DECREASE

Contractor prices accepted and subsequently awarded by a contract in response to this RFQ shall remain in effect for a minimum of one (1) year. The Contractor may request a price adjustment, but the State will not review or approve an increase until the contract has been in effect for one (1) year. The Hospital and the ADHS Procurement Office will review any requested rate increase to determine whether such request is reasonable in relation to increased supplier or material costs. Contractor shall provide written justification for any price adjustment requested. Any price increase adjustment, if approved, will be effective upon execution of a written contract amendment. Likewise, the Contractor shall offer the State a price adjustment reduction concurrent with reduced costs from their suppliers. Price reductions will become effective upon execution of a contract amendment.

## 6. SINGLE AWARD CONTRACT

This is an all or nothing bid. Services within this solicitation have been grouped together for purposes of obtaining these services collectively from a single source. To be considered for award of this solicitation, the bidder is required to provide pricing that is all inclusive within this solicitation.

#### 7. INFORMATION DISCLOSURE

The contractor shall establish and maintain procedures and controls that are acceptable to the state for the purpose of assuring that no information contained in its records or obtained from the state or from others in carrying out its functions under the contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the contract. Persons requesting such information should be referred to the state. The Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of contractor as needed for the performance of duties under the contract, unless otherwise agreed to in writing by the state.

## 8. AUTHORIZATION FOR PURCHASE OF SERVICES

Authorization for purchase of services under this contract shall be made only upon ADHS issuance of a Purchase Order that is signed by an authorized agent. The Purchase Order will indicate the contract number and the dollar amount of funds authorized. The Contractor shall only be authorized to charge for items up to the amount on the Purchase Order. ADHS shall not have any legal obligation to pay for items in excess of the amount indicated on the Purchase Order. No further obligation for payment shall exist on behalf of ADHS unless: a) the Purchase Order is changed or modified with an official ADHS Procurement Change Order, and/or b) an additional Purchase Order is issued for purchase of services under this contract.

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# 9. FEDERAL IMMIGRATION LAWS, COMPLIANCE BY STATE CONTRACTORS

By entering into the Contract, the Contractor warrants compliance with the Federal Immigration and Nationality Act (FINA) and all other Federal immigration laws and regulations related to the immigration status of its employees. The Contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the U.S. Department of Labor's Immigration and Control Act, for all employees performing work under the Contract. I-9 forms are available for download at USCIS.GOV

The State may request verification of compliance for any Contractor or subcontractor performing work under the Contract. Should the State suspect or find that the Contractor or any of its subcontractors are not in compliance, the State may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.

#### 10. OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, direct services under this Contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the Contract. This provision applies to work performed by subcontractors at all tiers.

# 11. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT (HIPAA) OF 1996

The Contractor warrants that it is familiar with the requirements of HIPAA and HIPAA's accompanying regulations and will comply with all applicable HIPAA requirements in the course of this Contract. Contractor warrants that it will cooperate with the Arizona Department of Health Services (ADHS) in the course of performance of the Contract so that both the ADHS and Contractor will be in compliance with HIPAA, including cooperation and coordination with the ADHS Privacy Officer and other compliance officials required by HIPAA and its regulations. Contractor will sign any documents that are reasonably necessary to keep the ADHS and Contractor in compliance with HIPAA, including, but not limited to, business associate agreements.

If requested by the ADHS, Contractor agrees to sign the "Arizona Department of Health Services Pledge to Protect Confidential Information" and to abide by the statements addressing the creation, Use and Disclosure of confidential information, including information designated as protected health information and all other confidential or sensitive information as defined in policy. In addition, if requested, Contractor agrees to attend or participate in HIPAA training offered by the ADHS or to provide written verification that the Contractor has attended or participated in job related HIPAA training that is: (1) intended to make the Contractor proficient in HIPAA for purposes of performing the services required and (2) presented by a HIPAA Privacy Officer or other person or program knowledgeable and experienced in HIPAA and who has been approved by the ADHS HIPAA Compliance Officer.

#### 12. INDEMNIFICATION

Contractor agrees to indemnify, defend, save and hold harmless the State of Arizona, and their respective directors, officers, officials, agents and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, costs, losses, or expenses, including reasonable attorney's fees, (hereinafter collectively referred to as "Claims") arising out of actual or alleged bodily injury or personal injury of any person (including death) or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of Contractor's directors, officers, agents, employees, volunteers or subcontractors. This indemnity includes any claim or amount arising or recovered under the Workers' Compensation Law or arising out of the failure of Contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all Claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable.

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This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

#### 13. INSURANCE REQUIREMENTS

Vendor shall procure and maintain, until all of their obligations, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the purchase and or use of the commodity.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Vendor from liabilities that might arise out of the purchase and use of the commodities sold under this Contract by the Vendor, his agents, representatives, employees or subcontractors and Vendor is free to purchase such additional insurance as may be determined necessary.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE: Contractor shall provide coverage at least as broad and with limits of liability not less than those stated below.

### 1. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability.

•	General Aggregate	\$1	,000,000
•	Products – Completed Operations Aggregate	\$	500,000
•	Personal and Advertising Injury	\$	500,000
•	Fire Legal Liability	\$	25,000
•	Blanket Contractual Liability – Written and Oral	\$	500,000
•	Each Occurrence	\$	500,000

#### 2. Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL) \$ 500,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor."

### 3. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	•
Each Accident	\$ 100,000
Disease – Each Employee	\$ 100,000
Disease – Policy Limit	\$ 100,000

- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

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- B. <u>ADDITIONAL INSURANCE REQUIREMENTS</u>: The policies are to contain, or be endorsed to contain, the following provisions:
  - a. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
  - The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
  - c. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- C. <u>NOTICE OF CANCELLATION</u>: Each insurance policy required by the insurance provisions of this Contract shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the State of Arizona. Such notice shall be sent directly to (Arizona Department of Health Services Office of Procurement, 1740 W. Adams, Phoenix, AZ 85007) and shall be sent by certified mail, return receipt requested.
- D. <u>ACCEPTABILITY OF INSURERS</u>: Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less that A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Vendor from potential insurer insolvency.
- E. <u>VERIFICATION OF COVERAGE:</u> Contractor shall furnish the State of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the State of Arizona before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to (Arizona Department of Health Services – Office of Procurement, 1740 W. Adams, Phoenix, AZ 85007). The State of Arizona project/contract number and project description are to be noted on the certificate of insurance. The State of Arizona reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.

- F. <u>APPROVAL</u>: Any modification or variation from the *insurance requirements* in this Contract must have prior approval from the State of Arizona Department of Administration, Risk Management Section, whose decision shall be final. Such action will not require a formal contract amendment, but may be made by administrative action.
- G. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university then none of the above shall apply.

# SCOPE OF SERVICES REQUEST FOR QUOTATION # HQ741120

#### 1. BACKGROUND

The Arizona Department of Health Services ("ADHS") would like to establish a contract for Dietary Consultation Services outlined below.

The Hospital provides treatment and rehabilitative services to the most severely mentally ill persons in the state. This is a court-ordered and civil-committed treatment center. Individuals must be suffering from a behavioral health illness, which has severely impaired their functioning and ability to live within their family and community.

The Hospital is located at 2500 East Van Buren Street, Phoenix, Arizona 85008. The Hospital operates twenty-four hours (24) per day, three hundred sixty-five (365) days per year.

#### OBJECTIVE

Establish contractual relationship for services to include, but not limited to activities listed below.

#### SCOPE OF WORK

Participate in dietary consultation and evaluation committees when Requests for Proposals (RFP) are being developed for the Arizona State Hospital.

Assist the Hospital Staff to ensure that clinical nutrition standards are met.

Review case files of patients with eating disorders to ensure appropriateness of menu items.

Consult Hospital Staff and assist in training to ensure patients have the correct nutritional balance.

Assist in monitoring and establishing Hospital dietary policies and procedures to meet or exceed JCAHO and Medicare/Medicaid requirements for accreditation.

Participate in the review of caloric counts of posted menu's to determine appropriateness.

#### 4. DELIVERY SCHEDULE

ADHS will schedule on an as needed, if needed basis.

# 5. **DELIVERY LOCATION**

Prices shall be FOB destination and include shipping to the following address:

Arizona State Hospital Warehouse/Receiving 2500 East Van Buren Street Phoenix, Arizona 85008

#### 6. NOTICES, CORRESPONDENCE, REPORTS, INVOICES AND PAYMENTS

a. Invoices shall be submitted to the Hospital Business Office within thirty (30) days after delivery. The invoices shall be sent to the following address:

Arizona Department of Health Services Attn: Business Manager 2500 East Van Buren Street Phoenix, Arizona 85008

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- b. Invoices shall be paid by ADHS within thirty (30) days following receipt of the invoice. In the case of any dispute regarding part of any invoice, ADHS shall pay the undisputed part according to the payment terms described above.
- c. Notices, Correspondence, Reports and Payments from The Department to the Contractor shall be sent to:

Contractor	 
Attention:	 
Address	 
Address	
City, State, Zip	 

# **CERTIFICATE OF INSURANCE**

Request for Quote No.: HQ741120

# **EXAMPLE**

ARIZONA DEPARTMENT OF HEALTH SERVICES 1740 West Adams Street Phoenix, Arizona 85007 (602) 542-1040 (602) 542-1741 FAX

PRIOR TO COMMENCING SERVICES UNDER THIS CONTRACT, THE CONTRACTOR MUST FURNISH THE DEPARTMENT, CERTIFICATION FROM INSURER(S) FOR COVERAGES IN THE MINIMUM AMOUNTS AS STATED BELOW, THE COVERAGES SHALL BE MAINTAINED IN FULL FORCE AND

EFFECT DURING	STHE TERM OF THIS CONTRACT, AND SHAL	L NOT SERVE	TO LIM	IT ANY LIABILITIES	OR ANY OTHER CONTRACTOR	OBLIGATIONS	
NAME AND ADDRESS OF INSURANCE AGENCY		COMPANY LETTER	COMPANIES AFFORDING COVERAGE				
NAME AND ADDI	RESS OF INSURED	A B C D					
This is	s to certify that the policies of insurance listed l	below have been	issued	d to the insured nam	ned above and are in force at this t	ime	
COMPANY LETTER	TYPE OF INSURANCE	POLICY NUM	BER	POLICY EXPIRATION DATE	LIMITS OF LIABILIT MINIMUM - EACH OCCUF		
	COMPREHENSIVE GENERAL LIABILITY FORM  PREMISES OPERATIONS  CONTRACTUAL  INDEPENDENT CONTRACTORS  PRODUCTS/COMPLETED OPERATIONS HAZARD  PERSONAL INJURY  BROAD FORM PROPERTY DAMAGE  EXPLOSION & COLLAPSE (IF APPLICABLE)  UNDERGROUND HAZARD (IF APPLICABLE)				General Aggregate  Product-Completed Operations Aggregate  Person and Advertising Injury  Blanket Contractual Liability – written and oral	\$ 1,000,000 \$ 500,000 \$ 500,000	
	COMPREHENSIVE AUTO LIABILITY INCLUDING NON-OWNED (IF APPLICABLE)				Bodily Injury – each person Bodily injury – each accident Property Damage	\$ 500,000 \$ 500,000 \$ 500,000	
	UMBRELLA LIABILITY  WORKMEN'S COMPENSATION AND EMPLOYER'S LIABILITY  OTHER				Each accident Disease – each employee Disease – Policy Limit	\$ 100,000 \$ 100,000 \$ 100,000	
State of Arizona and the Department named above as additional insured as required by statue, contract, pure or otherwise requested. It is agreed that any insurance to the named insured shall be primary of other source be available.		rchase order nce available	se order materially changed to affect the coverage available to valiable. State without thirty (30) days written notice to the State. The				
NAME AND AI	ODRESS OF CERTIFICATE HOLDER		DAT	E ISSUED	RIZED REPRESENTATIVE		
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